

## **Rexall Glucosamine Notice Plan Overview**

### **May 15<sup>th</sup>, 2013**

**The Audience “The Class”:** The Class is defined as all persons in the United States who purchased a Rexall glucosamine product. The class size is estimated at 12 million consumers in the United States. In building the targeted media campaign, GfK MRI data<sup>1</sup> was used to further define the class as “supplement users aged 35 years and older.” Where available, GfK MRI data was used to identify adults who used glucosamine, specifically.

**Objective of Print and Internet Notice Program:** Create, execute, and manage a Print and Internet notice program in a targeted, consumer friendly manner. The program will have extensive reach to potential Class participants. The media will be run in a timely manner that is consistent with the settlement agreement and the orders of the court.

**Rexall Glucosamine Marketing Analysis:** This media plan to inform the public of both the long form and summary notices is the result of a campaign analysis which included a thorough analysis of print publication and the potential Internet usage by consumers who may have purchased a glucosamine product, as well as industry cross-references. An analysis of the product categories in which the product falls, using proprietary historical data trends and reach indexing from over 400 Direct to Consumer products, was performed. Furthermore, industry standard information from GfK MRI was used to validate the analysis of the media's reach.

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<sup>1</sup> Based upon GfK MRI Fall 2012 data. GfK MRI is the leading provider of media and consumer research in the country. They are the primary source for audience data for the magazine industry in the United States.

## **Part 1: Print Advertising / Magazine Ads**

To develop the print notice plan, both proprietary data and GfK MRI data was used to evaluate the reach to the class. As noted earlier, the goal of the campaign is to reach a substantial portion of adults, aged 35 and older, who are also supplement users. In addition to raw data, an extensive marketing analysis was performed to ensure publications used by people with joint problems would be represented. Where available, GfK MRI data was utilized to specifically target adult glucosamine users.

The magazine selection includes:

"People Magazine" which, according to GfK MRI, has 42.5 million readers, 17.64 million of which are adults over 35 who use supplements. According to the Alliance for Audited Media, People Magazine is the ninth largest publication in the United States, based on circulation numbers. Again, using GfK MRI data, People Magazine alone reaches 18% of all adults over 35 who use supplements.

"Prevention" is the 16<sup>th</sup> most circulated magazine in the United States. Its readership represents 5,944,000 adults over 35 who use supplements or 6.2% of the defined class. Using available data (also through MRI), we can further quantify that this publication alone reaches 8.3% of adult glucosamine users. This publication has an index of 171 for the defined class, with 70.4% of its readership being in this demographic.

"First For Women" has a readership of 2,511,000 supplement users over 35. This publication also has an index of 152 for the defined class, with 62.7% of its readership being in this demographic. Using MRI data, it reaches 2.6% of all adult supplement users over 35, while specifically reaching 3.4% of all glucosamine users.

"Woman's World" reaches 4,133,000 readers who are supplement users over 35 years old. Like "First For Women", it also indexes high (151) with the demographic, with 62% of its readership in the defined class. This represents a reach of 4.3% of adults over 35 who use supplements and 5.1% of all glucosamine users.

"Guideposts" which, according to GfK MRI, reaches 3,556,000 adults over age 35 who use supplements (or 3.7% of the defined class). This publication has a strong index of 157 for the defined class.

These magazines were selected for their excellent targeting and wide reach of adults in the United States. Combined, the magazines have a reach of 35.2% of the defined class members of 35+ supplement users and an aggregate reach of 38.5% of glucosamine users, where available<sup>2</sup>.

Taking this a step further, we used additional GfK MRI reporting (along with Reach and Frequency calculations based upon the Metheringham Formula) to calculate the duplication of readership in the above magazines.

This additional analysis suggests that the overall magazine portion of the notice plan will reach 18.00% of glucosamine users one time, 6.22% of glucosamine users two times, and 2.69% of glucosamine users three or more times. This results in a reach of 26.91% of glucosamine users seeing the settlement notice at least one time.

(Note: Further overlap of duplicated readers across the various media categories will also be calculated and applied on the overall campaign.)

#### Glucosamine User Research

GfK MRI data tells us that there is a population of 95.6 million supplement users over the age of 35. The subset of actual glucosamine users is estimated at 8.19 million in the past 6 months.

Where data is available specifically for glucosamine users, the reach to this group is larger than the broader group of adults 35+ who are supplement users. In a health-related magazine, like "Prevention", the reach increases by 33.8% (from 6.2% to 8.3%) when targeting glucosamine users. The smallest increase in reach was a more general magazine, "Women's World", where reach to actual glucosamine users increased by 18.6% (from 4.3% to 5.1%) over the more broadly defined adults over 35 who use supplements.

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<sup>2</sup> When researching this notice plan, GfK MRI Fall 2012 data was available for glucosamine users(as opposed to only supplement users) with respect to specific publications. These included "Women's World", "First For Women", and "Prevention" magazines.

## **Part 2: Direct Mailing To Known Customers**

4.84 million unique Rexall glucosamine customers will be notified through retail and loyalty program information.

With a class size of 12 million, a direct mailing to 4.84 million unique customers represents 40.33% of the class. Based on historical data, if 6% are undeliverable, this direct mailing would account for 37.91% of the class being reached.

### Part 3: Demographic Website Relevant & Online Portal Ads

The Internet is an extremely powerful tool for reaching potential class members and driving them to the settlement website. Past experience with Internet Notice Plans has been used to design the most effective plan.

**Demographic Website Relevant and Information Ads:** 500 of the top online information websites have been analyzed, along with Affinity Indexes of pertinent demographic sites as they pertain to glucosamine users. Furthermore, marketing plans of over 100 related media campaigns have been studied in an effort to reach potential buyers in our target categories. The sites below are the top properties, which will offer the deepest reach and fastest execution time to inform the public of the class action settlement. Further refinement of targeting adults aged 35 and over will be included. These advertisements will instruct people of the class action and direct them to the settlement website to participate.

Media Placement	Estimated Targeted Impressions
Yahoo RMX	16,521,450
Google Text	412,300
Google Content Network	20,652,050
MSN Network	6,194,950
<b>Subtotal</b>	<b>43,780,750</b>

“Yahoo” (and its partner sites) reach 90.2% of adults over the age of 35 in the United States who use the Internet<sup>3</sup>, with a potential target of 107 million. This notice plan will deliver an estimated 16.5 million impressions with a frequency of 1.5 or less to ensure widespread reach. Yahoo Sites are the third most popular on the United States Internet, based upon comScore (September 2012) data.

“Google” (and its partner sites) reach 87.9% of Internet-using adults over 35 in the United States. This notice plan will display an estimated 21 million impressions with a frequency cap of 1.5 to ensure a large percentage of class members are reached. According to comScore (September 2012), Google Sites are the most popular on the United States Internet. This portion of the campaign will also target specific “search terms” for the highest possible targeting of potential class members.

“Microsoft” (and its partner sites) reach an estimated 82.8% of Internet-using adults over 35. This notice plan will deliver 6.1 million impressions to the 35+ adult demographic with a frequency of 1.5 or less. Microsoft Sites are the second most

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<sup>3</sup> Data Source: comScore, September 2012. comScore is a global leader in online business analytics, providing industry standard Internet audience measurement and demographics.

popular on the United States Internet, based upon comScore (September 2012) data.

Based upon the potential reach to the class and the specific number of impressions (with a frequency cap of 1.5), the online advertising portion of the notice plan will reach an estimated 35.5% of the class (when combined with social media in Part 4 of this notice plan).

**TARGETED DEMOGRAPHIC INTERNET IMPRESSIONS IN REXALL CAMPAIGN:  
43,780,750**

## **Part 4: Facebook and Social Media**

**Facebook's Reach:** Facebook has a total U.S. reach of 170 million consumers online, making it the largest proactive social engine in the country. This media vehicle has proven over the last 24 months to be the most effective way to quickly execute and engage a targeted audience with the ability to drive them to an independent website, such as a class action settlement notice site. The ability for one class member to pass along the information to others utilizing social media can have the potential to triple the reach index. For the online media plan, the most widely used social media sites were researched

Independent data from Quantcast and comScore, two of the industry standards in Affinity and Reach analysis for consumer behaviors, were utilized. Our research indicates a total social media reach of over 140 million unique users per month in the United States.

Below is the strategy to get the proper notifications out to the public with social media via the Facebook platform:

**Facebook Creative Unit:** A banner with clear text informing the public of Rexall Settlement will be displayed with a hyper link directing consumers to the proposed website in which they will have all the necessary information related to the case.

**Facebook Targeting:** Facebook has proprietary banner advertising targeting capabilities. Ads will be segmented to target potential class members in order to more effectively target these consumers with proper notice in a timely manner.

**Facebook Settlement Page:** A dedicated settlement page will be posted and used to educate people on the class action and direct those who wish to participate to the main settlement website.

Based upon the total reach of Facebook, the number of impressions delivered, and the frequency cap of 1.5, the social networking portion of the notice plan will reach an estimated 35.5% of the class (when combined with targeted Internet advertising in part 3 of this notice plan).

TOTAL REACH OF SOCIAL MEDIA: Estimated 140,000,000

**TARGETED SOCIAL MEDIA IMPRESSIONS IN REXALL CAMPAIGN:123,912,300**

## Rexall Glucosamine Notice Summary

Media placements will be adjusted in order to maximize the number of claims filed. A reporting system will allow optimization of placements that are producing the greatest numbers of claims. Summary of the media impressions is segmented as follows:

Media Category	Type	Targeted Impressions
Print Magazines	Graphic and Text	33,783,000
Direct Mail	Graphic and Text	4,840,000
Online Banners & Ads	Graphic and Text	43,780,750
Social Media/Facebook	Graphic and Text	123,912,300

**Ad Units and Copy for Notices:** All ad units and the notices that are presented will be submitted for prior approval before the online media program is to begin. All creative will be done in a straightforward manner that is consistent with all applicable laws and is consistent with the wishes of the court and the spirit of the settlement.

**Summary:** The Notice Plan designed for this settlement is based on the tools and techniques that companies use to develop marketing programs for similar products and audiences. Wherever available, data is verified using industry-standard data from GfK MRI and comScore.

This plan will provide for the execution of the notices to go out to the target audience in an efficient and timely manner, and to meet the legal requirements as set forth by the court as well as in the Class Action Settlement agreement. The plan will be specifically designed to target the settlement class and notify a substantial number of them of the settlement.

While duplication has already been calculated for magazine, direct mail, and Internet individually, this notice plan allows for a further 23.9% duplication of audience across the various notice methods. In other words, we expect 23.9% of people who see a notice in a magazine to also receive a direct mail piece.

Taking into account a 23.9% duplication and *without* factoring in spread of the message through social media and word of mouth, we estimate the campaign will reach 76.34% of the defined class.